

Peggy Welch

State Representative • District 60

1999 Session of the Indiana General Assembly

State budget provides tax cuts, funding for education

As a member of the House Ways & Means Committee, I spent much of my time this session working on the biennial state budget. The final product will make a very real difference in the lives of many Hoosiers. Some of the highlights include:

Program Funding

- Public education: Statewide funding increase of an average of 4.7 percent, with minimum guarantees of funding increases of at least 2.5%. At-risk and academic honors programs received increased funding and local schools and libraries received \$76 million in technology funding;
- CHOICE: \$5 million increase per year in funding for home health care for the elderly;
- Higher education: appropriations were increased by 7.0 percent in fiscal year 2000 and 4.7 percent in 2001;
- Vocational education: incentives for school corporations to provide programs in which high employment demand exists;
- A new \$50 million 21st Century Research and Technology Fund that will promote high-tech industries located in Indiana;
- Social services: Funding for the seriously mentally ill is increased by \$3 million in 2000 and \$6 million in 2001. Mentally Retarded / Developmentally Disabled programs will receive a total of \$39 million in funding;

Savings to Taxpayers

- Elimination of county welfare fund and county welfare administration funds from local property taxes (two-year savings: \$67.6 million);
- Elimination of inventory tax for 87 percent of farms and businesses (two-year savings: \$129.6 million).



Rep. Welch with Gov. Frank O'Bannon.

Hoosiers will save \$672 million over the next two years in tax cuts

- Homeowners: a new income tax deduction for property taxes up to \$2500
- Senior citizens *income* tax deduction: an increase from \$1000 to \$1500
- Senior citizens *property* tax deduction: an increase from \$1000 to \$2000
- Dependent children: an increase in the income tax deduction from \$1000 to \$2500
- Small businesses and farmers: property tax “add-back” repealed so farmers and business owners can deduct the amount of their property taxes from their state income taxes
- Renters: an increase in the income tax deduction from \$1500 to \$2000
- Inventory: eliminated taxes on property and equipment valued up to \$37,500
- Long-term care health insurance: an income tax deduction for the premiums paid for long-term health care insurance
- Earned income tax credit: a new refundable credit for working parents making less than \$12,000 (replaces deduction)



Rep. Welch reviews legislation at her desk on the House floor.

Health & Safety

Pharmacies -- I authored House Enrolled Act 1735, which provides that counseling a patient concerning drugs and devices is part of the practice of pharmacy.

Anesthesia -- House Enrolled Act 1951, which I authored, requires health care plans to provide coverage for anesthesia and hospital charges for dental procedures for individuals who are less than 19 years of age or individuals with disabilities.

HMOs -- House Enrolled Act 1309 establishes an external procedure for grievances against HMOs.

Office of Women’s Health -- The Office of Women’s Health will be established within the Indiana Department of Health to educate women about a variety of health issues.

Mental health insurance parity -- Legislation was enacted to ensure comparable treatment levels under a health care plan for both mental illness and physical illness.

Emergency vehicles -- New legislation requires any driver approaching any stationary emergency vehicle with flashing lights to change lanes if possible or reduce speed.

Church arson -- Penalties regarding church arson and breaking and entering into a house of worship have been increased.

Child neglect -- Penalties for child neglect have been increased.



Rep. Welch debates legislation on the floor of the House.

Education

ISTEP gateway examination -- House Enrolled Act 1050 allows students who do not pass the ISTEP Gateway Examination to graduate, provided they meet certain other requirements.

Educational standards -- A roundtable of educators, business and community leaders, and two members of the House and Senate has been created to develop educational standards for Indiana students.

Economic Development & Agriculture

Economic development -- House Enrolled Act 1985 provides that information and high technology infrastructure is eligible for funding under the industrial development fund, the industrial development grant fund or the industrial development guaranty fund.

Animal health -- Senate Enrolled Act 201 allows the governor, during a disease epidemic in another state, to prohibit the importation of animals or products derived from animals that would be injurious to the health of Indiana’s citizens or animals.

Additional \$200 million approved for Indiana roads

We worked hard to appropriate an additional \$200 million from the state general fund for local roads over the next two years. This is in addition to the regular funding from gas taxes. Many of you have indicated your strong desire to see us do more road improvements throughout the state.

Included below is a breakdown for our district. The amounts listed for each city are in addition to the total for the county. The amount appropriated to each city is based on the population of the city.

New road money for District 60

Monroe County	\$1.8 million
Bloomington	\$1.4 million
Ellettsville	\$90,803
Greene County	\$839,360
Bloomfield	\$30,405
Lawrence County	\$1.1 million



Representative Peggy Welch


Dear Friend:

As you probably know, we passed a budget--without having to go into a special session. I was holding my breath until we actually voted at 11:05 P.M. on the last night. I am proud of the budget we approved. It pays the bills, provides for increased program funding, and cuts taxes. This budget provides increased funding for our public schools, including at-risk and honors programs. Our college and university officials were pleased with the funding provided to them, especially in the areas of technology and capital projects. We were able to include funds to help our mentally retarded and developmentally disabled citizens receive much needed services for which they have been waiting. We also increased the funding for the CHOICE program which assists senior citizens stay in their homes rather than having to go to a nursing home. The budget includes funds for local projects, technology for our schools and libraries, and local roads and streets. We were able to put additional funds into the unfunded portion of the teachers retirement program. To help divert appropriate offenders from our state prison system, we increased the funding for the local community corrections programs. We recognized that low salaries was one of the reasons our state police agency and institutions, such as Muscatatuck, have had trouble recruiting employees. We included additional money to assist these agencies.

Most importantly, we were able to provide some tax relief. We eliminated a portion of county welfare from the property tax rolls. Inventory property tax relief was given for small business and farms on both inventory and equipment. Residential homeowners will be able to deduct up to \$2,500 of their property taxes from their income taxes. Businesses and farms will be able to deduct 100% of their property taxes. We were also able to give some added property tax deductions for our senior citizens. Income tax deductions were also provided in the areas of: long-term care insurance, senior citizens, renter's, and children. This all amounts to \$672 million in tax relief. Of course, we all wish we could have provided more tax relief, but to provide increased funding for education, our neediest citizens, infrastructure, and still keep at least \$1.1 billion set aside for a "rainy day", we had to make some tough choices.

274 bills were passed by the House and Senate. If you have questions about an issue or a certain bill that was considered, please let me know. You can always check on what happened to a bill at the Access Indiana website. Please be aware, however, that just because the bill website states that a bill did not pass, the language of the "dead bill" could have been attached to a bill which did pass during the last few days of the session.

My goal as a member of the House of Representatives was to represent and be of assistance to you and the other citizens of District 60. The General Assembly will not meet again to pass legislation until January 2000, but I will be working diligently between now and then on issues and problems facing District 60. Please contact me with any question, suggestion, problem, or comment at 812/323-7978 or e-mail me at R60@ai.org.

Sincerely,


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House publications available

The following publications can be requested free of charge from my Statehouse office by calling toll-free 1-800-382-9842:

Relax . . . -- This informational booklet for senior citizens discusses a variety of issues, from taxes to health problems to leisure activities.

Higher Education -- A 24-page publication for those interested in pursuing a higher education degree, detailing many Indiana colleges and universities as well as occupational and vocational schools.

Guide to State Agencies -- This booklet details various agencies within Indiana state government, listing phone numbers, functions and general areas of responsibility for each of the state agencies.

Hoosier Fun and Facts -- Designed for elementary school-aged children, this information and activity book teaches students about their state through a combination of text, puzzles and other educational activities.

Is the address label on this mailing correct?

Please check the address label on this mailing for accuracy. If there are any errors or if you are receiving duplicate mailings, please contact my office at 1-800-382-9842. Every effort will be made to correct the mistake.

I appreciate your assistance in keeping the mailing list updated. This will ultimately result in more efficient delivery and substantial savings to taxpayers across the state.

State Phone Numbers

State Information	1-800-457-8283
Indiana House	1-800-382-9842
Indiana Senate.	1-800-382-9467
Governor's Office.	317-232-4567
Secretary of State	317-232-6531
Motor Vehicles.	317-233-6000
Natural Resources.	1-800-622-4931
Utility Regulatory.	1-800-851-4268
State Tourism	1-800-289-6646
Department of Correction. .	1-800-680-5889
Department of Education . .	317-232-6611
Department of Health	317-233-1325
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